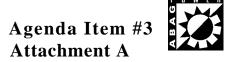
MEMORANDUM

ASSOCIATION OF BAY AREA GOVERNMENTS Agenda Item #3

Representing City and County Governments of the San Francisco Bay Area



SUMMARY MINUTES

ABAG Power Executive Committee

Meeting 2006-01

February 15, 2006

Metro Center, 101 8th Street, Oakland, CA 94607

WELCOME AND INTRODUCTIONS

Chairman Steve Sprotte opened the meeting with introductions at 12:05 p.m.

Committee Representatives PresentJurisdictionsEd Buonaccorsi, Vice-ChairmanCity of Santa RosaTerry MannCounty of Contra CostaJennifer MennucciGolden Gate Bridge DistrictRon PoppCity of MillbraeSteve Sprotte, ChairmanCity of Union City

Committee Representatives Absent

Mark Akaba City of Vallejo

Others Present

Dan Bergmann Interstate Gas Services, Inc.
Johnnie Painter Interstate Gas Services, Inc.

Staff Present

Joseph Chan ABAG

Jerry Lahr ABAG POWER Vina Maharaj ABAG POWER

Kenneth Moy ABAG

PUBLIC COMMENTS/ANNOUNCEMENTS

There were no public comments.

Announcement was made regarding an upcoming meeting of Community Choice Aggregation (CCA) Stakeholders Meeting to be held February 27, 2006, 9:00 – 11:00 a.m. at ABAG's offices.

APPROVAL OF SUMMARY MINUTES OF AUGUST 17, 2005 MEETING

Motion was made by Popp/S/Mann/C/4:0:0 to approve the Summary Minutes of December 14, 2005 Executive Committee Meeting.

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Attachment A



REPORT ON NATURAL GAS PROGRAM

Monthly Summary of Operations

Jerry Lahr provided the members with the monthly Summary of Operations report for FY 2005-06 and a Gas Hedge Chart. He said that the Program had achieved a 16.5% savings up till November, 2005.

Executive Committee member Jennifer Mennucci joined the meeting at this point.

Status of Revised Natural Gas Aggregation Agreement

Lahr mentioned that since the last Executive Committee meeting, the City of Half Moon Bay had completed executing their agreement. County of Napa had scheduled the agreement for approval at their next meeting of the council members. The City of Petaluma's agreement was still pending.

Implementation of Internal Billing

Lahr said they are moving forward with the processes and are planning on an implementation date of July 1, 2006.

Presentation on the State of the Natural Gas Industry

Dan Bergman and Johnnie Painter of Interstate Gas Services, Inc. made a presentation on current natural gas industry issues.

Policy on Dealing with the Operating Imbalance

Lahr provided members with a handout explaining the Operating Imbalance, and recommended a specific policy to deal with the Imbalance be added to the Natural Gas Operations Manual. The policy would strive to keep the program's total Operating Imbalance carry-over to within a range of +1% to -2% of the program's estimated annual usage.

Motion was made by Popp/S/Mennucci/5:0:0 to adopt the policy as proposed by staff on Agenda Item #4, Attachment C.

ABAG POWER Audited Financial Report

Motion was made by Mann/S/Buonaccorsi/C/5:0:0 to approve the 2004-05 audited Financial Report as presented.

ADJOURNMENT

Chairman Sprotte adjourned the meeting at 1:45 p.m.

/vm

^{*}Example of a motion – [Member No. 1/S/Member No. 2/roll call vote/C/8:0:0] means Member No.1 motions, seconded by Member No.2, after roll call vote, motion carries, 8 = "yes" votes, 0 = "no" votes and 0 = abstentions